





SPEECHES  
OF  
MESSRS. CAMERON AND SEWARD,  
ON  
THE TARIFF.

Delivered in the Senate of the United States June 15, 1860.

MR. CAMERON'S SPEECH.

Mr. CAMERON. Mr. President, coming from a State deeply interested in the subject under consideration, I may be expected to discuss it somewhat at length. Nothing, however, can be further from my intention at this time. My colleague has in his able and lucid speech, consuming more than two hours, entered so fully into the details of the measure, that nothing I might be able to add would sensibly affect the result. Besides, upon a motion to postpone, an argument from one whose opinions upon this subject are so well known would be superfluous. My views in regard to the great question of protection have undergone no change from the beginning. As it seemed to be the necessity of the country then, so it appears to my mind now. With my colleague, however, it is otherwise; he confesses to a change of sentiment touching the policy of Government toward the industrial interests of which it is, or should be, the jealous guardian; and I hail the change as an omen of further changes for the better on his side of the Senate Chamber. I regret that so few of his political associates thought proper to remain in their seats during his argument; for, until I discovered but five of those Senators in their places, one of whom, if I mistake not, was asleep, I had confidently expected sufficient aid through his influence to carry the bill which has received the support of the House, and meets his cordial approval. If changes are to be made in favor of the measure, they must be looked for on that side of the Chamber, for it may be considered a settled question that Republican Senators will wait opportunity to vote against postponement for the bill when it comes upon its final passage.

Mr. HAMMOND. If the Senator will allow me to interrupt him, I would like to make a count on his side of the House.

Mr. CAMERON. That is not my business. Besides, the Senator from South Carolina will allow me to say, that the other side is the one on which the impression is to be made. I had for a long time believed and trusted that the workingmen of my State were to get some relief during the administration of Mr. Buchanan. Son of Pennsylvania as he is, and raised to the

high, I may say, proud, position he now holds by the votes of the laboring classes, it was not too much to expect of him that he would have advantaged himself of that high position to benefit the State which has honored him so much. In the various messages he has sent to us, he has declared himself in favor of that sort of protection which we desire in Pennsylvania. But, sir, I begin to fear that we shall get nothing from him; and if my colleague should fail to secure the five or six expected votes from among his political associates, I shall despair of obtaining any measure of relief for the industrial interests of the country until the Senate and the Administration shall cease to be controlled by the present Democratic party. Those five or six expected votes would, if brought to the aid of this side of the House, carry prosperity and happiness to the three millions of people my colleague and myself represent. Nor will the regrets which must follow the defeat of the beneficial measure under consideration, be narrowly selfish in their nature; because we hold to the doctrine that Pennsylvania cannot be prospered except her sister States in the Union shall enjoy that prosperity in common. We believe that the advantage of one part must redound to the advantage of every other part. While you, gentlemen of the South, are protecting your peculiar institutions, you ought, at least, not to forget that we of the North have a peculiar institution to protect and encourage—our free white labor. But I will not pursue this subject further, and would say nothing more, were it not for the purpose I have to correct some errors in the statement of the distinguished Senator from Virginia, the chairman of the Committee on Finance.

He began by telling us that no change was necessary in the revenue system, from the wants of the Government; that a change had not been asked for by the manufacturers, and that this bill is defective in all its details. He has forgotten that he has been at the head of the Finance Committee of the Senate during this Administration, and for many years before; that Mr. Buchanan came into power with a full Treasury, with over \$17,000,000 in hand, and but a trifling debt;

that the debt has been increased by him over \$40,000,000; that the \$40,000,000 of debt and the surplus of \$17,000,000 makes, together, \$57,000,000 squandered by the Administration, besides the income of the present tariff, which the chairman of Finance says is ample for the support of the Government. The chairman of Finance also pays a high compliment to the ability of the Secretary of the Treasury. I have not the same confidence in him. I have no belief in his fitness for the place he now occupies. He is doubtless a man of integrity, but out of his sphere. He inaugurated his administration by a blunder; by buying the public debt at a premium of about sixteen per cent., in the belief that his income was inexhaustible, and within the same year was compelled to ask for a loan to meet the ordinary wants of the Government. His reports, so far as I remember, have been a series of mistakes and miscalculations. I shall not enter upon details, but one striking blunder may be cited as a case in point: In one of his estimates, arguing against the necessity of a modification of the tariff, he said he would receive, during the then current year, \$12,000,000 from the duty on sugar. When the money was counted, he found but \$4,000,000—showing a mistake of \$8,000,000. It was an error of judgment; he should have remembered that the year on which his estimate was based was to all others an exceptional year, owing to the fact that unusual frosts during the year preceding had cut off the home crop, increasing the price and causing a large importation. The *ad valorem* duty on this large importation, at the high prices induced by the destruction of the home crop, produced so large a revenue, from this source alone, that a statesman must at once have seen that such increase would not be likely again to occur. A blunder like this by a gentleman at the head of the Treasury Department should render us cautious in receiving his estimates as a basis of legislation.

When the chairman of the Committee on Finance says that the country asks for no change in the revenue laws, he forgets the hundreds of petitions, with their thousands of names of laboring men attached, asking for relief. If he has read the petitions referred to the Committee on Finance, he must have seen, that not only the iron and coal interests, but every other branch of industry throughout the country, has been prostrated; that in my State, as elsewhere, men were seeking vainly for employment, while those dependent on the labor of their strong arms were asking for bread—for the necessities of life, indirectly denied to them here by those to whom the luxuries of life have become common, because of their continued abundance. In all the establishments now in actual operation, the laborer is working at greatly-reduced wages, while the employers are reaping no profit on the capital invested. He should know that the stability of free governments depends upon the intelligence and moral culture of the governed; that the laborer and the artisan should be afforded the means of so educating their children, which means are only

to be derived from the protection and encouragement of those branches of industry necessary to the development of the resources of States.

Mr. HUNTER. I said, "except the iron interest."

Mr. CAMERON. Does the Senator think he can get along without the iron interest of Pennsylvania and other States? Does he remember that the annual value of the manufactured products of Philadelphia alone is \$250,000,000, or twenty per cent. more than the entire boasted cotton crop of the United States? Has he not heard that the products of the factories and workshops of the young city of Cincinnati amount annually to more than \$112,000,000—that the commerce of the great Northern lakes reaches, every year, the enormous sum of \$450,000,000? But I do not agree with him, that it is the iron interest alone that needs protection. The various industrial interests of the country depend upon each other. When one is suffering depression, the others sympathize with it, and thus the wrong becomes common to all. On the other hand, when you encourage one, you indirectly quicken all the rest. In evidence of my statement that it is not alone the iron interest that is asking for the passage of this bill, I cite the attention of the Senator to the fact that every Republican Senator stands ready and anxious to put this measure on its final passage, and to record their votes in its favor. They would not do so, did not their constituents demand it at their hands, in behalf of their interests.

The Senator has read many letters to show that the bill, as it comes from the House, is a bad one—that no change is necessary. Unfortunately, all those letters, as I understand them, are the productions of foreign agents of foreign manufacturers. I believe there were no Americans among his correspondents, save the custom-house officers; and who has yet to learn that custom-house officials will make just such statements as those in authority above them dictate? Sir, the whole system of our revenue is in the hands of foreigners—at the mercy of foreign capital, I might say. Fifteen years ago there were importing merchants in our cities, men of capital and experience, men of intelligence, who devoted their entire energies to the business of commerce. They sacrificed much to insure, not their own prosperity solely, but the prosperity of our great commercial cities, seaport or inland. Where are they now? Driven into other pursuits, some of them into hopeless bankruptcy, by a system which permitted, and still permits, the agents of foreign capital and pauper labor to operate fraudulently upon our commercial interests. Let us look at the system. The British manufacturer sends his agent to New York; the agent establishes a commercial house, and gives another name to the concern—his own, perhaps; to this agent the British manufacturer furnishes the goods to be sold in our markets, *involved at a price to suit himself*. On that invoice the duty is laid. The single article of steel occurs to my mind just at this point. Will gentlemen believe that the raw iron from which the steel is made



sells in the Liverpool market for a higher price than the steel is invoiced for in the New York custom-house? Strange as it may seem, indicative of fraud as the transaction may appear on its very face, such is the fact. The same is true of all other articles of trade coming into our ports to compete with American manufactures. Take the article of cloth, mentioned by my colleague. Formerly we got a large amount of it from England, and we manufactured quantities at home. But our home manufacturers have been driven out of the business entirely, so that there is not to-day a single manufacturer of broadcloth in the United States. The large factories erected to carry on the business under the tariff of 1842 have been given over to other, and, in some cases, baser purposes. Some have gone into the manufacture of carpet yarns; others have been dismantled of their appliances, and turned to some little account in other directions. We now get nearly all our broadcloth from Germany, where it is manufactured in accordance with a system something like this: A man has an establishment in which he has invested a large capital. When he is about to make up an invoice, he goes to his clerks and workmen, and ascertains the amount of cost of the raw material and the cost of the labor put upon it. He sums up these items, and the total is the amount of the invoice which enters the custom-house on our shores with the goods. It comes here invoiced to a partner, and is sold for two or three times the invoice price. Take the article of horse-shoe nails. In Germany, the country blacksmith is the manufacturer. He goes to the country store-keeper for his iron, takes it to his shop, and makes it into nails, at three cents per pound. He can make eight pounds per day, and on this pittance of twenty-four cents he lives, supports his family, and finds his own fuel. The nails are sent here invoiced at six cents a pound, and sold at a price just low enough to command the American market.

These, sir, are but a few of the articles upon which frauds are committed against the revenue laws, but they are fair samples of the working of the system. One of the great benefits we shall derive from the passage of the bill now before us, will be the destruction of the system of false invoices and public warehouses, by which the foreign manufacturer is enabled to control our capital—that is, he sends goods here, and stores them in Government warehouses at no expense to himself. There they are suffered to remain until prices rule to suit his interest. In this way he saves the interest on the duties, not paying them until the goods are taken from the warehouses, and is always ready to glut the market with the surplus of unsaleable and unfashionable products of Europe, whenever our own manufactures are prostrated by an alteration of our ever-changing revenue laws.

Among other things, the Senator from Virginia produced a letter from some foreign importers of iron in New York in opposition to this bill. Their argument is based upon a false statement, made for their own purposes, by which they make it appear that the duty, charges, and commissions,

are an actual protection of fifty-three per cent. to the American manufacturer. An American statesman should not go abroad for arguments to build up a revenue system. The foreigner, coming here only to make a fortune out of the depression of our trade and business, to return home to enjoy it, can have no sympathy with the prosperity of our country, and ought not to be permitted to legislate for us, nor, in fact, to exercise any control whatever over our legislation. The statement purports to be the cost of importing railroad and common bar iron from Wales at the present time. In opposition to that statement, I desire to present another from one of the most intelligent ironmasters in Pennsylvania, as thoroughly educated an iron manufacturer, perhaps, as there is in the world. He is, besides, a man of learning and veracity, and is more extensively engaged in the business at this time than any man in the country. His statement is in reply to a letter I addressed to him the other day, after the Senator from Virginia had exhibited his statement from a foreign importer in New York. He says:

"The object of presenting such a statement is palpable on its face. It is to make it appear that certain expenses in the purchase of iron are peculiar to importations from foreign countries, from which American iron is free; also, in quoting the lowest priced common bars at the period of greatest depression in value, and at the *highest rate of insurance and freight*, with exorbitant commissions for *buying, shipping, and inspecting*, and another throw-in of bankers' commission and interest. (Why did they not also add a charge for profit?) All these items produce on a low value a high percentage, viz: 29½ per cent. This added to the 24 per cent. duty, the present tariff, he argues, is 53 per cent. protection to the American manufacturer.

"I wish it were true that we American manufacturers had none of these charges to pay; but let us see how we stand in relation to the Welsh ironmasters.

"The Welsh works can deliver rails and bars at Cardiff at a cost of 5s. per ton—say \$1.25. The shipping expenses, which at Liverpool are 2s. 6d., are at Cardiff not exceeding 1s. per ton, or 25 cents, making a total on shipboard of \$1.50 per ton.

American Mills.	Receiving and shipping.
Danville to Philadelphia.....	\$3.75 25 cents.
Safe Harbor to Philadelphia.....	2.00 25 "
Cambria to Philadelphia.....	5.00 25 "
Pottsville to Philadelphia.....	2.00 25 "
Phoenixville to Philadelphia.....	1.00 25 "
Seranton to New York.....	3.75 25 "
Trenton to New York.....	1.75 25 "
Mount Savage to Baltimore.....	3.90 25 "
	\$)22.25 \$)2.00
Average.....	2.78 25 cents.

Making a total of \$3.03 per ton on shipboard, or double what it costs the Welsh masters.

#### Insurance and Freights from Cardiff.

	Per ton.	Insurance.
To Northern and Eastern ports.....	12s. a 20s.	1 per cent.
To Southern Atlantic ports.....	12s. a 22s.	2 to 1½ per ct.
To Gulf ports.....	8s. a 22s.	2½ to 1½ p. ct.
Average freight and insurance.....	\$3.75	1¼ per cent.

#### Insurance and Freight from Philadelphia.

	Freight.	Insurance.
To Northern and Eastern ports....	\$2.50	1 per cent.
To Southern Atlantic ports.....	2.25	1 per cent.
To Gulf ports.....	4.00	1½ to 2½ p. ct.
Average freight and insurance....	2.75	1¼ per cent.

## Comparison.

	Cardiff.	American.
Expenses from mill to ship \$1.50		\$3.00
Freights to ports of entry.. 3.75		2.75
Prima on freights, 5 p. c. 10		11
Total.....	5.44	5.89
Insurance, 1½ on \$50.....	45; on \$30, at 1½	62
Total average.....	5.89 per ton.	6.51 per ton.

*Difference in favor of Cardiff, 62 cents per ton.*

"The charges of commission for buying, shipping, and inspecting, are only incurred when intermediate parties come between the buyers and manufacturers, and are as applicable to American as they are to the foreign iron. Interest is also a matter of negotiation, but generally very largely in favor of the British manufacturer.

## Condensed Comparison.

	Cardiff.	American.
One ton of railroad iron, at \$5.10s., at \$4.00. f.....	\$26.82	\$50.00
Expenses to port of entry, as above....	5.89	6.51
Duty, at 24 per cent., as given.....	6.60	
	39.31	56.1
Difference in favor of Cardiff.....	17.20	
	56.51	

"Now, rails from Cardiff can be put in New Orleans at this time for less than \$40 per ton, duty paid. We could not do this, unless we put the iron at \$35.50 per ton, which is simply an utter impossibility."

I have another statement, from the same gentleman, showing the production and consumption of iron in the United States for the year 1856, in which, as will be seen, the question is presented in its economical as well as its statistical aspect :

Pig and forge iron, converted into—	Domestic.	Foreign.	Total.
Rolled, hammered, and wrought iron, of every description, including cut nails, boiler iron, &c., &c.....	519,081	298,275	817,356
Iron used in foundries..	337,154	55,403	392,557
Total manufactures of iron from pig, &c., &c.	856,235	353,678	1,209,913

NOTE.—The above is not the quantity of pig iron, but the product of it.

## Coal used in manufacturing the above iron.

	Domestic. Tons.	Foreign. Tons.	Total. Tons.
Rails, bars, boiler iron, nails, castings, &c....	856,235	353,678	1,209,913
Coal, at 5 tons per ton.	5	5	5

\*4,281,175    †1,768,390    ‡6,049,505

The coal used in producing the above iron, consumed in the United States, amounted to..... 6,049,565 tons.  
Of which our own mines furnished..... 4,281,175 "

And the mines of Great Britain..... 1,768,390 "

	Iron Ore.	Tons.
856,235 tons domestic iron, at 3½ tons of ore per ton.....		2,996,822
353,678 tons foreign iron, at 3½ tons of ore per ton.....		1,237,873
1,209,913    Total.....		4,234,695

\* Domestic coal.    † Foreign coal.    ‡ Domestic and foreign coal.

## Men employed and persons supported.

## DATA.

Twenty tons of pig iron; 8 tons of rails; 6½ tons of rolled bars, &c. Each represent one man employed one year, or a family of five persons supported one year. I take as the average eight tons of iron per man—thus :

	Hands.	Persons.
Domestic : 856,235 divided by 8, gives	107,030, or	535,150
Foreign : 353,678    "    "    "	44,210, or	221,050
Total..	1,209,913	756,200

*Consumption of food at \$30 per head, which is much lower than is usually taken by political economists.*

535,150 American people, at \$30 each, gives.. \$16,054,500  
221,050 foreigners, in their own country, at \$30    6,631,500

756,200    Total consuming.....	22,686,000
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The above figures are all inside of the actual facts, and will be safe to stand on. An accurate detailed statement, which, I take it, you do not expect of me at this time, would add largely to some of the above aggregates.

In order to show the relation existing between the productive interests and all other branches of industry, I desire to present the following statement of the tonnage furnished the Reading railroad and Schuylkill canal from a single manufacturing establishment in one year :

*Reading railroad—Tonnage to and from the Phoenix Iron Works for the year ending December 31, 1859.*

INWARD.	Tons.
Iron ore.....	7,345
Pig iron, &c.....	5,668
Anthracite coal, 63,089 tons, less 5 per cent. discount.....	59,935
Bituminous coal.....	278
Old rails.....	1,228
Fire-brick.....	667

Total tons, 2,240 lbs. each..... 75,021  
Equivalent to 34,023 tons of 2,000 lbs. each

OUTWARD.  
Total quantity of manufactured iron, &c, of all kinds    8,513

Total tonnage, 2,240 lbs. each..... 83,534  
Equivalent to 93,775 tons of 2,000 lbs. each

*Schuylkill navigation—Tonnage to and from Phoenix Iron Works for the year ending December 31, 1859.*

INWARD.	Tons.
Pig iron.....	8,066
Iron ore.....	3,549
Soapstone and sand.....	606
Anthracite coal, 3,043 tons, less 5 per cent. discount.....	2,891
Bituminous coal.....	763

15,845  
Limestone..... 12,867

28,712

Equivalent to 34,454 tons of 2,000 lbs. each.

OUTWARD.  
Manufactured iron, &c..... 12,356

41,068

Equivalent to 40,906 tons of 2,000 lbs. each.

Recapitulation.	Reading navigation.	Reading railroad.	Total.
Inward.....	28,712	75,021	103,733
Outward.....	12,356	8,513	20,869
	41,068	83,534	124,602
Tons, 2,000 lbs. each	45,996	93,775	139,771

In addition to the above, there was a considerable tonnage of merchandise, such as oil, brass, steel, rope, hardware, &c., used at the works.

The town of Phoenixville contains over six thousand inhabitants, who are dependent on the iron works; and whatever transportation and passenger business they afford, is indirectly due to the fact that the manufacture of iron is carried on at this point.

The quantity of rails and bar iron manufactured at the Phoenix works in the year 1859 was 24,350 tons of 2,240 lbs. each, so that the transportation on the Reading railroad and the Schuylkill navigation of raw materials (saying nothing of the hauling done in wagons, by nearly 200 horses and mules) was  $5\frac{1}{2}$  tons for each ton of manufactured iron.

The freight to the Reading railroad alone, on the above 25,021 tons, exceeded \$98,000.

This fact will serve to show how important to transportation companies is the development of the iron business.

The Phoenix Iron Works could have supplied fifty per cent. more manufactured iron during the past year if the orders could have been obtained. Of course, in that case, the tonnage of raw materials would have been correspondingly increased.

I also desire to submit, in this connection, a statement of the cost of importing iron under the present tariff, (1857,) furnished by the old and highly respectable house of E. J. Etting & Bro., importers of iron, in the city of Philadelphia. This iron is for an invoice ordered of factors in Liverpool, and the statement will be seen to conflict seriously with that obtained of the foreign importer, by the Senator from Virginia. Here is the statement:

£1, at \$4.44 and 10 per cent. exchange.....	\$4.88
Commission, $2\frac{1}{2}$ per cent. on \$4.80.....	12
Duty, 24 per cent., on \$4.80.....	\$5.00
	1.15
Total per pound sterling.....	6.15

Shipping charges in Liverpool per ton.....	2s. 6d.
Freight to Philadelphia.....	15 0
Primage, 5 per cent. on 15s.....	0 9
	18 3 = \$4.38

Price of iron £8 per ton, at \$6.15.....	49.20
Insurance, 1 per cent. on cost.....	49
Cost, delivered at Philadelphia, per ton.....	54.07

*Under the tariff of 1846.*

£5 15s. (October 22, 1849) per ton, at \$4.44.....	\$25.55
Liverpool shipping charges.....	55
	26.10
Duty, 30 per cent. on \$26.10; exchange, 10 per cent.; insurance, 1 per cent. = \$28.97, at 30 per cent.....	8.69
Other items, 4 cents; British exchange, \$2.61; freight, 12s. 6d. = \$2.92; insurance, 26 cents.....	5.83
Cost, delivered at Philadelphia, per ton.....	40.62

In concluding my remarks on this branch of the subject, I will here present a tabular statement showing the quantity of railroad iron imported into the United States, with the yearly averaged price, as well as the appraised value thereof:

Years.	Tons.	Price per ton.	Appraised value.
1847	13,537	\$51.01	\$688,438
1848	29,489	41.58	1,219,185
1849	69,163	32.56	2,252,246
1850	142,036	26.32	3,738,024
1851	188,626	26.03	4,901,452
1852	245,626	25.56	6,228,794
1853	298,995	34.87	10,426,087
1854	282,666	42.49	12,020,309
1855	127,517	39.16	4,993,910
1856	155,496	39.74	6,179,280
1857	179,305	41.58	7,455,596
1858.....	75,745.....	39.44	2,987,576
1859.....	69,966.....	32.49	2,274,032
	1,878,167.....	34.79	65,256,579

Thirty per cent. equal to \$10.43 per ton.

1854 to 1859, both inclusive, 6 years, quantity 890,695 tons.

Appraised value, \$35,910,693.

Average price per ton, \$40.32.

Thirty per cent. equal to \$12.10 per ton.

From this it appears that \$51.01 per ton was the maximum price of rails on shipboard between the years 1847 and 1859, inclusive. This, with an *ad valorem* duty of thirty per cent., yielded a revenue of \$15.30 per ton; making the cost of the iron here \$66.31. But, on referring to the table, we find the price of iron to have fallen to \$26.03 in 1851, with a duty of only \$7.80; thus showing that when we need the most protection, we get the least under the operation of *ad valorem* duties. A specific duty in any one of those years would have prevented the depressions in our business and the prostration of the industry of the entire country in consequence. Taking, as set down in the statement just submitted, the average cost of railroad iron per ton, it will be seen that, under the *ad valorem* duty of thirty per cent., the duty per ton was \$12.10, or ten cents more than the specific duty proposed in the Morrill bill.

I have many more statements of a kindred nature among my memoranda, but will not exhaust the patience of the Senate in reading more of them at this time. I will only inquire, if the bill is not right, why do not the chairman of the Committee on Finance and his political friends alter or amend it? I will vote for any bill which proposes substantial protection to the prostrate and suffering labor of my State, come from what quarter it may. It will not do for them to plead want of time. The bill came from the House on the 12th of May, having received the sanction and approval of a large majority of that body, composed of men of all parties. During all that time, the Senator from Virginia and his political friends have had entire control of the legislation of the Senate. I am satisfied that all the Senators on this side of the Chamber will consent to remain long enough to give them full time to pass a bill affording more revenue, and incorporating the principle of protection. There may be gentlemen who are not in favor of protection, who desire a tariff for revenue purposes only; but, sir, I am in favor of protection as the *object*, and revenue as the *incident*. I hold that it is but fair, that our labor should be protected against custom-house frauds, and against the pauper labor of Europe. I recall two or three cases just now, going to show how much less reward labor commands and receives in England than here. Until within the last few years, nearly all the wood-screws used in the world, and certainly in this country, were made in our own workshops. Recently, however, some one of our numerous inventors invented a machine making a decided improvement, by adding a gimlet to the end of the screw. He went to England, and disposed of his patent there. British capitalists seized upon it, put it in operation, and now the wood-screw manufactories of this country are forced to suspend, and England furnishes us with that article. The reason is, that the machine can be worked by little girls, obtained



from the almshouses; paupers from the streets and poorhouses, and vagrants from the lanes and alleys, are brought in to work at low wages. They not only supply the home market, but come here and glut our market, to the exclusion of our own artisans. Now, this branch of business is a very large one, formerly giving employment and support to thousands of our honest laborers. We had a right to its continuance, for the invention came from the genius of an American citizen, under the fostering care and protection of one of our former tariffs. A little protection now would induce some one of our intelligent artisans again to improve upon the machinery, and thus enable us to reduce the price still lower.

The soap manufacture was formerly a very important interest in this country—so important, in fact, that probably few gentlemen on this floor have an idea of the immense capital that was invested, or of the great numbers to whom the business gave employ. Some two or three years ago, a gentleman of my acquaintance, a chemist of great practical knowledge and skill in his profession, as also of large experience, discovered a process by which he concentrated the alkali, and produced a substance which he called caustic soda. He went out to England for the purpose of introducing the article and supplying the market there. Forming a connection with a capitalist in Edinburgh, Scotland, he set up the manufacture of this caustic soda, and had actually manufactured several tons, when discovery was made of the fact that the British Government had imposed a very heavy excise upon the manufacture of soap, and a penalty, consisting of fine and imprisonment, on persons manufacturing it without authority derived from the Government itself. The excise on soap was £18 per ton. The penalty for violating the excise law was fine and imprisonment. Not even the housewife was permitted to make soap in her own kitchen, on pain of fine and imprisonment. Owing to this state of affairs, the gentleman preferred to quit the business, and returned to this country. Now, mark what followed: directly afterward the British Government changed its excise laws, and enabled their manufacturers not only to supply their home market with this article of caustic soda for soap-making, but also to manufacture and send it over to glut our own markets, so that it now has the entire control of our home manufacture. In connection with this matter there is still another fraud. This caustic soda is put up in iron barrels by the British manufacturer, for the purpose of evading our

revenue laws, and getting rid of the duty on iron.

These, Mr. President, are but a few of the many instances of fraud practiced under the system we now have; and this, I think, is the worst feature of the present revenue system. Were it not for the frauds constantly practiced under it, and which can only be avoided by substituting specific for *ad valorem* duties, the rates might not appear so objectionable.

In conclusion, it may be proper to speak of another of the evil effects of the system, which the Secretary of the Treasury and the chairman of the Committee on Finance seem to be so much enamored of. I refer to the excess of specie exportations over importations under the present *ad valorem* tariff, a tabular statement of which I herewith present:

*United States exports and imports of specie during a period of nine years, from 1851 to 1859, inclusive; and the aggregate for a period of twenty-seven years, from 1824 to 1850, inclusive.*

	Specie imports.	Exports.
1851.....	\$3,453,592	\$29,472,752
1852.....	3,065,644	42,674,155
1853.....	4,201,382	27,486,875
1854.....	6,528,181	41,436,456
1855.....	3,659,812	59,247,543
1856.....	4,207,432	45,745,187
1857.....	12,461,799	69,136,922
1858.....	19,274,496	52,038,147
1859.....	7,334,589	57,362,395
	69,156,730	422,865,420
		69,156,730

Surplus exports over imports, 1851 to 1859... 353,178,690

Specie loss to the country.

Now, compare total exports and imports from 1824 to 1850, inclusive:

Imports.....	\$246,987,465
Exports.....	165,519,707

Surplus imports over exports..... 81,467,758

Gain to the country.

Thus it will be seen that, during the existence of protective tariffs, from 1824 to 1850, inclusive, the gain of specie to the country was \$81,467,758, that being the excess of imports over exports. But for the nine years next succeeding, under the *ad valorem* or free-trade policy, we not only lost that large gain to the country, but \$271,710,932 in addition. Is it any wonder, then, that under such a fatal drain of the vital elements of trade, the industrial energies of the country should have succumbed, and the spectacle of closed manufactories and silent workshops should be presented, where so lately all was bustle and activity?

## SPEECH OF MR. SEWARD.

Mr. SEWARD. Mr. President, I rise not to debate the merits of the measure, for that would be improper on a motion to postpone, but to protest against the act of postponement. This postponement proposes to put off the revision of the tariff as a policy opposed to a loan for the support of the Government over from this session of Congress until the next; from the close of this

session until the beginning of the next. But this is impossible. The money must be procured in one way or the other now; we cannot delay both the policies. If you revive the tariff now, there will be no loan needed in December. If you make the loan now, you will have no need in the Treasury for a revision of the tariff then.

The proposed postponement raises the question



of the value of the time we have now at command, compared with the value of the time we shall be able to command then. We now are in the middle of the month of June, in the unlimited session of Congress, one month, two months, even three months, earlier than Congress was accustomed to adjourn under the old system of compensation, when members of Congress were paid by the day for the time actually devoted to the public business. Under that system of compensation, no member of Congress would have felt himself justified in consenting to put off until another session so cardinal a subject as this, on the ground simply that the National Legislature could not sit long enough to mature and dispose of it. Then the session could be protracted only at the public expense; but now, an early adjournment would save nothing to the Treasury, for we are paid, not by the day, but a fixed annual salary, whether we remain here a longer or a shorter period.

Sir, if it be true that we have not time enough to consider this great question now, then somebody is responsible to the public for this deprivation of time. I will not invidiously dwell on the days and weeks and months of this session which have been wasted or misapplied, but I will speak only of the present passing moments. We certainly have been at liberty during the whole session to assign the day of our adjournment, a day so late as even the 1st day of December next. And yet ten days ago, in full and direct view of this measure coming up before us, a majority of the Senate who were understood to be opposed to it, with the aid of only one or two votes from this side of the Chamber, arbitrarily fixed a day of adjournment, and thus shortened up the session so as to end it on Monday next; and they did this with full knowledge that the measure must remain unacted upon and directly confronting the exigencies of the Treasury and of the country, which enforce its immediate consideration. Thus we fix a day of adjournment to cut off that consideration, and then plead the shortness of the time we ourselves have created for the neglect of a great duty.

Nevertheless, Mr. President, we are in no such strait for time. Let the Senate even now take up this great bill, and distinctly indicate its purpose to act upon it, and I venture to say that the House of Representatives, wedded as it is to the policy on which the bill is based, will at once extend the term of the session long enough to resolve the whole subject to the entire satisfaction of the American people. Thus you perceive, sir, that the objection of want of time, at this session, is an unreal ground for the proposed postponement.

Now, what is the prospect of a greater complement of time at the next session? The present Congress, in a duration of seven months, ending on the third Monday in June, will not have furnished time enough to revise the tariff. The next session of Congress will begin on the first Monday in December, and must come to an end on or about the first Monday in March. If a session which actually fills seven months, and may be prolonged throughout even twelve months, af-

fords no time to revise the fiscal policy of the Government, who will say that the necessary time can be found in a session which can last only throughout three months? Are human strength and intensity of purpose, which are so feeble in the present hour, at all likely to wax so strong in the future? No, no. Indecision to-day, becomes cowardice to-morrow. Indolence in the morning hardens into idleness at night; and the resolution that is postponed, even with some remorse, this year, ceases to trouble us in the next. Moreover, Mr. President, the present conjuncture of circumstances favor action; that which will exist next year will render action difficult, if not impossible. We are brought now to a direct choice between increase of revenue by the sum of \$21,000,000, or a loan of that amount. But if we do not increase the revenue now, we shall adopt the loan. That exigency will not exist next December. If it shall threaten to recur during the fiscal year, the habit of borrowing will at the same time have become confirmed, and we shall then be more unwilling to resort to the legitimate process of raising revenue than ever.

Political advantages to the party in power here, at least local ones, are held out as inducements to the present revision of the tariff. These inducements will have lost their influence when the next session arrives. Whatever may be the result of pending elections, parties in Congress and in the country will be measurably relieved from trouble about the tariff. The present Administration will then be going out, and it will be reckless of further praise or blame, favor or disfavor. The Administration which will succeed it will be unorganized throughout the whole of the next session of Congress. There will be no means in the next session of combining the forces necessary to carry so great a measure through the Congress. On this simple process of demonstration, Mr. President, I pronounce that, as a practical question, to postpone this bill until the next session is to postpone it indefinitely. It must be considered now, sir, or never.

Mr. President, I have not examined this bill, and I am not prepared to speak of its details, and to say which of them I should approve, and which disapprove. I hear the bill unsparingly denounced. But all tariff bills, when first presented, are denounced with equal severity, and quite as universally. They must always affect existing arrangements of private and corporate industry throughout the whole country, and disturb them at least for a time, though ultimately perhaps to improve them. I never knew a tariff bill that was at its introduction less obnoxious than this. But the unpopularity of the bill is not a good reason for postponing it; it is the very best of all reasons for examining it, hearing and weighing objections, and modifying the bill so as to make it wise, just, and satisfactory. A tariff bill when it comes from a committee is always crude; it is only by great and careful manipulation that it ever becomes practical and convenient.

But we are told that this bill is not only so wretchedly bad as to require a great deal of

amendment, but that it is so utterly vicious that it is inadequate to be the basis on which any revenue system could be built. If the bill be so worthless and useless as this, then, I ask, in Heaven's name, why keep it here to encumber the floors of Congress, and be a stumbling-stone of offence at the next session of Congress? Seize it, and expose its absolute rottenness at once, now, and cast it out of the halls of legislation. If the bill is so very bad, let this be done, so that the Committee of Ways and Means may at least provide a new and better one at the beginning of the next session of Congress. Thus the argument for postponement is reduced to a mere self-contradiction, and seems to me to reveal a disposition to avoid the whole subject equally in the next and in the present session of Congress.

Mr. President, it is not within my present purpose to enter into the broad question between protection of our own manufactures and absolute free trade; but I must be indulged with one or two remarks upon it. Among the statistics with which the honorable Senator from Pennsylvania favors us, is the fact that the town of Phoenixville is one of the largest of half a dozen or more towns in that State, engaged in the manufacture of iron; and this town, connecting by railroads and canal with the iron and coal mines and the markets, has a population of six thousand dependent on its industry. Now, whoever shall go through Great Britain, will find more than one of thirty such manufactories, in more than half a dozen of such towns, in which the number of operators actually engaged, irrespective of their families, exceeds the whole population of Phoenixville. It would rouse us all from our slumber on this great national interest, if we could only see the full development of manufactures in England and Scotland. As you enter within the suburbs, thirty miles in circumference, of a manufacturing city, you see railroads crossing each other in all directions, bringing in coal and iron ore to the forges, whose fires blazing from hundreds of chimneys, make the night as brilliant as the day; and the men, women, and children, of a whole district, seem as if wrathfully engaged in tearing up the solid earth, and burning it in one general conflagration.

We continually hear, in some parts of our country, apprehensions expressed that Congress may bestow some discriminating favor on our manufactures of iron, to the prejudice of some sections of the Union. But this sensibility is nothing, compared to the alarms of the same kind continually expressed about a change of our policy, in Great Britain. In every forge, every furnace, in every cotton woollen, carpet, glass, manufactory there, the question universally put to you is, is there any danger that the tariff will be raised in the United States? There the anxiety that the United States shall practice the

benignant principle of free trade is intense and universal. You can judge, sir, whether this anxiety arises out of a desire for our welfare or for the welfare of Great Britain. To me, this building up by us of manufactures in Europe, has seemed unwise and erroneous. I have not, indeed, seen my own country, with its great resources and astounding vigor, declining; but I have seen this system develop the material wealth of Great Britain in twenty-five years. The policy is not merely unwise in regard to revenue, but injurious in regard to the political character and development of our country. What is it that we do? We send only raw materials and provisions to Europe, for a distant and expensive market; which, if we were to build up a manufacturing interest, we should find easier and more profitable at home. Our deficiencies we make up by sending abroad undue proportions of our gold, at the cost and to the great embarrassment of our currency, and often to the great derangement of credit. We bring back nothing but manufactured fabrics. How does this system tell on the emigration from Europe to the United States? Whatever there is throughout Europe of science, art, intelligence, education, and skill, employed in manufactures, there is left to remain there, together with all the profits they command, and all the incidental benefits to society which result from them—all these are left there, and we bring away, generally, only laborers, day laborers, field laborers, to produce more raw materials, and provisions to employ and subsist manufacturers in Europe. We thus discriminate against art and improvement in emigration, and in favor of ignorance and pauperism.

We continue doing all this, sir, while the immigration which we induce by it is the enduring cause of an incipient and continual heartburning among the American people, fomented by complaints—unjust, unnatural, and unwise, indeed, but none the less disturbing and irritating—that we bring classes of people from Europe to our shores, incompetent to the exercise of the franchises of citizenship. The same policy brings the ignorant and the base from China to our gold mines, and California protests against and seeks to deprive them of the very facilities of mining industry. Nay, so far do we carry this policy, that an interest is waxing strong among us, which at once insists on excluding the skill and energies of European mechanics and artisans voluntarily immigrating into our country, and reopening the slave trade to cover our fields with the barbarians of Africa.

Such are the natural fruits of the policy we have favored so long and so blindly, and which the effect of the present motion is to protract indefinitely.





